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## BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

DOCKETED

JUN 13 2000

DOCKETED BY

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CARL J. KUNASEK  
CHAIRMAN  
JIM IRVIN  
COMMISSIONER  
WILLIAM A. MUNDELL  
COMMISSIONER

IN THE MATTER OF APPLICATION OF  
SEDONA VENTURE FOR APPROVAL OF THE  
SALE OF ASSETS AND/OR FOR TRANSFER OF  
THE CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO MHC OPERATING LIMITED  
PARTNERSHIP DBA SEDONAL VENTURE  
WATER COMPANY.

DOCKET NO. W-02414A-97-0572  
DOCKET NO. WS-03449A-97-0572

IN THE MATTER OF THE APPLICATION OF  
SEDONA VENTURE - WATER AND SEWER  
DIVISIONS FOR A PERMANENT INCREASE IN  
ITS RATES.

DOCKET NO. SW-02414A-99-0407  
DOCKET NO. W-02414A-99-0407

DECISION NO. 62653ORDER

Open Meeting  
June 6 and 7, 2000  
Phoenix, Arizona

## BY THE COMMISSION:

\* \* \* \* \*

Having considered the entire record herein and being fully advised in the premises, the  
Commission finds, concludes, and orders that:

FINDINGS OF FACT

1. On June 18, 1999, MHC Operating Limited Partnership, dba Sedona Venture Sewer  
Company ("SVS") and Sedona Venture Water Company ("SVW") filed applications with the  
Arizona Corporation Commission ("Commission") for increases in rates and charges.

2. A hearing was held commencing on November 30, 1999.

3. The Commission in Decision No. 62425, dated April 3, 2000, approved rate increases  
for both SVS and SVW.

4. On April 24, 2000, SVS and SVW filed an Application for Rehearing ("Application").

5. The Application requested the Commission reconsider the authorized rates of return in  
Decision No. 62425.

6. On May 11, 2000, memorandums were filed on behalf of Chairman Kunasek and Commissioner Irvin supporting the Application.

7. Our May 12, 2000 Procedural Order granted the Application.

8. Our May 12, 2000 Procedural Order required any opposition to the request to reconsider the authorized rates of return to be submitted by May 19, 2000.

9. On May 18, 2000, and May 19, 2000, respectively, Mr. R. J. Wenger and Mr. Lynn E. Hanus filed opposition to the request to reconsider the authorized rate of return.

10. Decision No. 62425 authorized a rate of return for SVS and SVW of 2.44 percent and 8.20 percent, respectively.

### CONCLUSIONS OF LAW

1. SVS and SVW are public service corporations within the meaning of Article XV of the Arizona Constitution and A.R.S. § 40-201 *et seq.*

2. The Commission has jurisdiction over SVS and SVW and the subject matter of the Application.

3. It is reasonable to authorize an 8.20 percent rate of return for both SVS and SVW.

### ORDER

IT IS THEREFORE ORDERED that the request of Sedona Venture Sewer Company and Sedona Venture Water Company for reconsideration of the authorized rates of return in Decision No. 62425 should be granted.

IT IS FURTHER ORDERED that the rates for Sedona Venture Sewer Company shall be modified to provide a rate of return of 8.20 percent.

IT IS FURTHER ORDERED that Sedona Venture Sewer is hereby directed to file on or before June 30, 2000, revised rate schedules setting forth the following sewer rates:

#### Sewer Services:

5/8"	\$54.18
3/4 "	85.00
1 "	140.00
1 1/2 "	280.00
2 "	470.00
3 "	845.00

4 "  
6 "

1,406.00  
4,605.68

IT IS FURTHER ORDERED that the above rates shall be effective for all service provided on and after July 1, 2000.

IT IS FURTHER ORDERED that Sedona Venture Sewer Company shall notify its customers of the rates authorized above and the effective date of same by means of an insert in its next monthly bill.

IT IS FURTHER ORDERED that Sedona Venture Sewer Company shall file a copy of its customer notification with the Director of the Utilities Division within thirty days of the date of this Order.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

*Paul H. Marshall*  
CHAIRMAN

*James H. Davis*  
COMMISSIONER

Commissioner  
Mundell  
DISSENT

IN WITNESS WHEREOF, I, BRI  
Secretary of the Arizona Corp  
hereunto set my hand and caused the official seal of the  
Commission to be affixed at the Capitol, in the City of Phoenix,  
this 13<sup>th</sup> day of June, 2000.

*Brian C. McNeil*  
BRIAN C. McNEIL  
EXECUTIVE SECRETARY

DISSENT *JLR:dap*  
JLR:dap

1 SERVICE LIST FOR: SEDONA VENTURE SEWER COMPANY and  
2 SEDONA VENTURE WATER COMPANY  
3 DOCKET NOS.: W-02414A-97-0572, WS-03449A-97-0572, SW-  
4 02414A-99-0407 AND W-02414A-99-0407  
5 Mr. Greg Glenn  
6 MHC Operating Limited Partnership  
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15 The Sedona Venture  
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21 Sedona, Arizona 86336  
22 Lynn E. Hanus  
23 65 Sunset Hills Drive, #204  
24 Sedona, Arizona 86336  
25 James N. Johnson  
26 6770 West Highway 89A, #3  
27 Sedona, Arizona 86336  
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